



# State of Utah

## Department of Natural Resources

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas & Mining

JOHN R. BAZA  
Division Director

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

#### Representatives Present During the Inspection:

Company	Dan Guy
Company	Boyd Rhodes
OGM	Pete Hess Environmental Scientist III

## Inspection Report

Permit Number:	C0070022
Inspection Type:	COMPLETE
Inspection Date:	Monday, October 30, 2006
Start Date/Time:	10/30/2006 10:00:00 AM
End Date/Time:	10/30/2006 2:30:00 PM
Last Inspection:	Thursday, September 28, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny: 40's to 70's F.

InspectionID Report Number: 1116

Accepted by: whedberg  
11/6/2006

Permittee: **SAVAGE SERVICES CORP**

Operator: **SAVAGE SERVICES CORP**

Site: **SAVAGE COAL TERMINAL**

Address: **6340 S 3000 E STE 600, SALT LAKE CITY UT 84121**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

#### Current Acreages

160.00	<b>Total Permitted</b>
122.28	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

#### Mineral Ownership

- ☐ Federal  
☐ State  
☐ County  
☐ Fee  
☒ Other

#### Types of Operations

- ☒ Underground  
☒ Surface  
☒ Loadout  
☐ Processing  
☐ Reprocessing

#### Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Blackhawk Engineering Company submitted the second quarter 2006 surface water monitoring information for the Savage Coal Terminal permit area on October 4, 2006. The Permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State permit.

There are no compliance actions pending.

Inspector's Signature: \_\_\_\_\_

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date: Monday, October 30, 2006

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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## Inspection Continuation Sheet

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### REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### **3. Topsoil**

The newly constructed topsoil and subsoil piles which are located SSW of the four newly constructed -28 mesh fine coal settling basins have been seeded, following roughening. Mr. Guy provided a copy of the applied seed mix to the Division this day. According to Ms. Priscilla Burton, the contractor (Mr. Dave Basinger) who hydroseeded the piles, as well as the berm separating the disturbed area from undisturbed drainage UD-1, used a "special" fertilizer. Mr. Guy was asked to provide information relative to this "special" growth enhancer to the DOGM.

### **4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The third quarter inspections for 2006 for the Coal Terminal ponds.

### **4.c Hydrologic Balance: Other Sediment Control Measures**

As previously noted, the Permittee has completed the construction of the DOGM approved concrete pad beneath the water truck fill area (adjacent to pump house at the NE corner of the property). It was noted that the surrounding area has several depressions which are impounding small volumes of water. The volumes do not constitute a hazard; the Division requested that the Permittee consider grading the area to provide positive drainage of all intercepted precipitation toward the appropriate treatments / runoff controls. Mr. Guy indicated that the installation of drain rock in this area had been discussed with the Permittee.

### **4.d Hydrologic Balance: Water Monitoring**

The Permittee installed the two new ground water monitoring wells (S-1-GW and S-2-GW) required by the DOGM as part of the approval of Task ID #2613, Proposed Expansion of Disturbed Area. This permit modification basically approved construction of the four fine coal settling basins, whose purpose is to replace the dismantled wash plant thickener. The wells were installed on October 27, 2006. Mr. Guy intends to monitor these wells quarterly, beginning in November 2006. Discharge monitoring reports for the sites UPDES outfalls were reviewed for the months of August and September 2006. There were no flows reported. All UPDES reports reviewed were noted as having been submitted in a timely fashion.

### **7. Coal Mine Waste, Refuse Piles, Impoundments**

Mr. Guy conducted the third quarter 2006 waste rock pile inspection for the Coal Terminal disposal area on August 15, 2006. There were no signs of instability, or other hazards noted by that inspection. The Permittee has started the coal washing facility, and is temporarily storing reject from the Dugout washed product. The Dugout coal is being blended and shipped from this facility. The reject is currently being back hauled to the Dugout Canyon Mine waste rock disposal area.

**8. Noncoal Waste**

The Permittee has made a significant effort in cleaning up the equipment storage area located ENE of the wash plant building. A metal shear was brought on site, and cleanup efforts continue.

**16.b Roads: Drainage Controls**

A road grader was blading the road associated with the newly constructed fine coal settling ponds. A berm will be established about the NE perimeter of the sub-soil pile. Graveling of this primary road (PR-13) will complete the construction activities in this area.

**18. Support Facilities, Utility Installations**

The Permittee is working through operational "bugs" which exist in the coal washing system.

**20. Air Quality Permit**

Mr. Dan Guy provided a copy of the new air quality approval order (DAQE-AN1793003-06) for the Savage Services Corporation site to the DOGM this day. This AO is dated August 16, 2006. A copy has been forwarded to the DOGM Salt Lake office. The throughput for this site has been increased from 8 MTPY to 10 MTPY. The Permittee's water truck was down this day with driveline / PTO problems.

**22. Other**

It was noted during today's inspection that the adjacent landowner, Mr. R.D. Campbell, had recently cut his alfalfa field and was involved with the baling. Hay prices in SE Utah have reached unusual highs due to shortages and demand.